

**ARIZONA CORPORATION COMMISSION**  
**UTILITIES DIVISION**

ANNUAL REPORT MAILING LABEL – MAKE CHANGES AS NECESSARY

G

W-20446A

Global Water - Santa Cruz Water Company

21410 N. 19<sup>th</sup> Ave., Suite 201

Phoenix, AZ 85027

RECEIVED

APR 18 2008

AZ CORP COMM  
Director Utilities

**ANNUAL REPORT**

**FOR YEAR ENDING**

12	31	2007
----	----	------

FOR COMMISSION USE

ANN 04

07

PROCESSED BY:

4-21-08

SCANNED

## COMPANY INFORMATION

<b>Company Name (Business Name)</b> <u>Global Water - Santa Cruz Water Company</u>			
<b>Mailing Address</b> <u>21410 N 19<sup>th</sup> Ave., Suite 201</u>			
<u>Phoenix</u> (City)	<u>AZ</u> (State)	<u>85027</u> (Zip)	
<u>623-580-9600</u> Telephone No. (Include Area Code)	<u>623-580-9659</u> Fax No. (Include Area Code)	 Cell No. (Include Area Code)	
<b>Email Address:</b> <u>graham.symmonds@gwresources.com</u>			
<b>Local Office Mailing Address</b> <u>SAME</u>			
 (City)	 (State)	 (Zip)	
 Local Office Telephone No. (Include Area Code)	 Fax No. (Include Area Code)	 Cell No. (Include Area Code)	
<b>Email Address</b> _____			

## MANAGEMENT INFORMATION

<b>Management Contact:</b> <u>Graham Symmonds</u> <u>CTO &amp; SVP, Regulatory Affairs &amp; Compliance</u>			
<u>21410 N 19<sup>th</sup> Ave., Suite 20</u> (Street)		<u>Phoenix</u> (City)	<u>AZ</u> (State)
<u>(623) 580-9600</u> Telephone No. (Include Area Code)		<u>(623) 580-9659</u> Fax No. (Include Area Code)	<u>85027</u> (Zip)
 Cell No. (Include Area Code)			
<b>On Site Manager:</b> <u>SAME</u>			
 (Street)		 (City)	 (State)
 Telephone No. (Include Area Code)		 Fax No. (Include Area Code)	 Cell No. (Include Area Code)
<b>Email Address</b> _____			

☐ Please mark this box if the above address(es) have changed or are updated since the last filing.

**Statutory Agent:** Andy Abraham, Burch & Cracchiolo PLC  
(Name)

702 East Osborn, Suite 200 Phoenix AZ 85014  
(Street) (City) (State) (Zip)

(602) 274-7611 (602) 234-0341  
Telephone No. (Include Area Code) Fax No. (Include Area Code) Cell No. (Include Area Code)

**Attorney:** Tim Sabo, Roshka DeWulf & Patten, PLC  
(Name)

400 East Van Buren, Suite 800 Phoenix AZ 85004  
(Street) (City) (State) (Zip)

(602) 256-6100 (602) 256-6800  
Telephone No. (Include Area Code) Fax No. (Include Area Code) Cell No. (Include Area Code)

**Email Address:** \_\_\_\_\_

☒ Please mark this box if the above address(es) have changed or are updated since the last filing.

### OWNERSHIP INFORMATION

Check the following box that applies to your company:

- |   |  |
|---|--|
| <input type="checkbox"/> Sole Proprietor (S)    | <input checked="" type="checkbox"/> C Corporation (C) (Other than Association/Co-op) |
| <input type="checkbox"/> Partnership (P)        | <input type="checkbox"/> Subchapter S Corporation (Z)                                |
| <input type="checkbox"/> Bankruptcy (B)         | <input type="checkbox"/> Association/Co-op (A)                                       |
| <input type="checkbox"/> Receivership (R)       | <input type="checkbox"/> Limited Liability Company                                   |
| <input type="checkbox"/> Other (Describe) _____ |  |

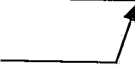
### COUNTIES SERVED

Check the box below for the county/ies in which you are certificated to provide service:

- |                                     |                                   |   |
|-------------------------------------|-----------------------------------|---|
| <input type="checkbox"/> APACHE     | <input type="checkbox"/> COCHISE  | <input type="checkbox"/> COCONINO         |
| <input type="checkbox"/> GILA       | <input type="checkbox"/> GRAHAM   | <input type="checkbox"/> GREENLEE         |
| <input type="checkbox"/> LA PAZ     | <input type="checkbox"/> MARICOPA | <input type="checkbox"/> MOHAVE           |
| <input type="checkbox"/> NAVAJO     | <input type="checkbox"/> PIMA     | <input checked="" type="checkbox"/> PINAL |
| <input type="checkbox"/> SANTA CRUZ | <input type="checkbox"/> YAVAPAI  | <input type="checkbox"/> YUMA             |
| <input type="checkbox"/> STATEWIDE  |                                   |   |

**UTILITY PLANT IN SERVICE**

<b>Acct. No.</b>	<b>DESCRIPTION</b>	<b>Original Cost (OC)</b>	<b>Accumulated Depreciation (AD)</b>	<b>O.C.L.D. (OC less AD)</b>
303	Land and Land Rights	44,856	0	44,856
304	Structures and Improvements	9,275,230	222,007	9,053,223
306	Lake, River, and Other Intakes	1,855	0	1,855
307	Wells and Springs	3,646,873	193,524	3,453,349
309	Supply Mains	2,086,246	116,166	1,970,080
310	Power Generation Equipment	323,093	10,809	312,284
311	Pumping Equipment	6,089,408	996,694	5,092,714
320	Water Treatment Equipment	9,914	2,236	7,678
330	Distribution Reservoirs and Standpipes	1,367,063	157,466	1,209,597
331	Transmission and Distribution Mains	36,923,081	1,272,017	35,651,064
333	Services	3,010,546	168,900	2,841,646
334	Meters and Meter Installations	3,267,246	510,694	2,756,552
335	Hydrants	2,947,910	123,894	2,824,016
336	Backflow Prevention Devices	26,572	5,629	20,943
339	Other Plant and Misc. Equipment	122,823	17,386	105,437
340	Office Furniture and Equipment	496,112	125,906	370,206
341	Transportation Equipment	535,423	183,041	352,382
343	Tools, Shop and Garage Equipment	55,305	4,536	50,769
344	Laboratory Equipment	106,271	6,790	99,481
345	Power Operated Equipment	60,372	1,509	58,863
346	Communication Equipment	354,579	36,750	317,829
347	Miscellaneous Equipment	1,147	172	975
348	Other Tangible Plant	3,585,171	333,922	3,251,249
	<b>TOTALS</b>	<b>74,337,096</b>	<b>4,490,048</b>	<b>69,847,048</b>

This amount goes on the Balance Sheet Acct. No. 108 

**CALCULATION OF DEPRECIATION EXPENSE FOR CURRENT YEAR**

Acct. No.	DESCRIPTION	Original Cost (1)	Depreciation Percentage (2)	Depreciation Expense (1x2)
303	Land and Land Rights	44,856	0.00%	0
304	Structures and Improvements	9,275,230	3.33%	161,750
306	Lake, River, and Other Intakes	1,855	0.00%	0
307	Wells and Springs	3,646,873	3.33%	93,206
309	Supply Mains	2,086,246	2.00%	40,827
310	Power Generation Equipment	323,093	5.00%	10,786
311	Pumping Equipment	6,089,408	12.50%	613,468
320	Water Treatment Equipment	9,914	3.33%or 20.00%	306
330	Distribution Reservoirs and Standpipes	1,367,063	2.22%or 20.00%	45,582
331	Transmission and Distribution Mains	36,923,081	2.00%	533,796
333	Services	3,010,546	3.33%	76,141
334	Meters and Meter Installations	3,267,246	8.33%	254,547
335	Hydrants	2,947,910	2.00%	47,711
336	Backflow Prevention Devices	26,572	6.67%	1,757
339	Other Plant and Misc. Equipment	122,823	10.00%	8,210
340	Office Furniture and Equipment	496,112	6.67%	51,241
341	Transportation Equipment	535,423	20.00%	95,658
343	Tools, Shop and Garage Equipment	55,305	5.00%	2,155
344	Laboratory Equipment	106,271	10.00%	5,788
345	Power Operated Equipment	60,372	5.00%	1,509
346	Communication Equipment	354,579	10.00%	24,095
347	Miscellaneous Equipment	1,147	10.00%	115
348	Other Tangible Plant	3,585,171	10.00%	238,989
	Plus: Depreciation on Non-Utility Assets			73,181
	<b>TOTALS</b>	74,337,096		2,380,818

This amount goes on the Comparative Statement of Income and Expense  
Acct. No. 403.

**BALANCE SHEET**

<b>Acct No.</b>	<b>ASSETS</b>	<b>BALANCE AT BEGINNING OF YEAR</b>	<b>BALANCE AT END OF YEAR</b>
	<b>CURRENT AND ACCRUED ASSETS</b>		
131	Cash	\$ 740	\$ 1,050
134	Working Funds	0	
135	Temporary Cash Investments	0	
141	Customer Accounts Receivable	693,653	1,030,115
142	Other Accounts Receivable		975
143	Accumulated Provision for Uncollectible Accounts		(49,825)
146	Notes/Receivables from Associated Companies	0	0
151	Plant Material and Supplies	0	0
162	Prepayments	27,211	36,057
173	Accrued Utility Revenue	156,985	235,601
174	Miscellaneous Current and Accrued Assets	0	0
	<b>TOTAL CURRENT AND ACCRUED ASSETS</b>	\$ 878,589	\$ 1,253,973
	<b>FIXED ASSETS</b>		
101	Utility Plant in Service	\$ 33,465,362	\$ 74,337,096
103	Property Held for Future Use	0	0
105	Construction Work in Progress	23,369,592	21,357,984
108	Accumulated Depreciation – Utility Plant	(2,160,859)	(4,490,048)
121	Non-Utility Property	367,091	377,851
122	Accumulated Depreciation – Non Utility	(97,268)	(170,449)
	<b>TOTAL FIXED ASSETS</b>	\$ 54,943,918	\$ 91,412,434
	<b>OTHER ASSETS</b>		
190	Accumulated Deferred Income Taxes	\$ 0	\$ 192,912
	Total Other Assets	\$ 0	\$ 192,912
	<b>TOTAL ASSETS</b>	\$ 55,822,507	\$ 92,859,319

**NOTE:** The Assets on this page should be equal to **Total Liabilities and Capital** on the following page.

**BALANCE SHEET (CONTINUED)**

<b>Acct. No.</b>		<b>BALANCE AT BEGINNING OF YEAR</b>	<b>BALANCE AT END OF YEAR</b>
	<b>LIABILITIES</b>		
	<b>CURRENT LIABILITES</b>		
231	Accounts Payable	\$ 2,029,055	\$ 2,008,524
232	Notes Payable (Current Portion)	0	0
234	Notes/Accounts Payable to Associated Companies	0	0
235	Customer Deposits	711,020	1,030,293
236	Accrued Taxes	113,256	66,897
237	Accrued Interest	16,495	45,257
241	Miscellaneous Current and Accrued Liabilities	1,966,572	1,989,896
253	Other Deferred Credits		628,045
	<b>TOTAL CURRENT LIABILITIES</b>	\$ 4,836,398	\$ 5,768,912
	<b>LONG-TERM DEBT (Over 12 Months)</b>		
224	Long-Term Notes and Bonds	\$ 0	\$ 0
	<b>DEFERRED CREDITS</b>		
251	Unamortized Premium on Debt	\$	\$
252	Advances in Aid of Construction	14,043,997	23,310,886
255	Accumulated Deferred Investment Tax Credits	0	0
271	Contributions in Aid of Construction	0	0
272	Less: Amortization of Contributions	0	0
281	Accumulated Deferred Income Tax	0	0
	<b>TOTAL DEFERRED CREDITS</b>	\$ 14,043,997	\$ 23,310,886
	<b>TOTAL LIABILITIES</b>	\$ 18,880,395	\$ 29,079,798
	<b>CAPITAL ACCOUNTS</b>		
201	Common Stock Issued	\$ 10	\$ 10
211	Paid in Capital in Excess of Par Value	27,017,886	51,545,514
215	Retained Earnings	9,924,216	12,233,997
218	Proprietary Capital (Sole Props and Partnerships)	0	0
	<b>TOTAL CAPITAL</b>	\$ 36,942,112	\$ 63,779,521
	<b>TOTAL LIABILITIES AND CAPITAL</b>	\$ 5,822,507	\$ 92,859,319

**COMPARATIVE STATEMENT OF INCOME AND EXPENSE**

<b>Acct. No.</b>	<b>OPERATING REVENUES</b>	<b>PRIOR YEAR</b>	<b>CURRENT YEAR</b>
461	Metered Water Revenue	\$ 6,649,383	\$ 7,092,052
460	Unmetered Water Revenue	0	0
471	Sales to Irrigation Customers		1,182,045
472	Miscellaneous Service Revenues		741,771
473	Rents from Water Property		4,600
474	Other Water Revenues	1,252,845	0
	<b>TOTAL REVENUES</b>	\$ 7,902,228	\$ 9,020,468
	<b>OPERATING EXPENSES</b>		
601	Salaries and Wages	\$ 0	\$ 0
610	Purchased Water	31,200	31,300
615	Purchased Power	360,697	457,736
616	Fuel for Power Production	3,110	0
618	Chemicals	43,291	37,565
620	Repairs and Maintenance	37,324	72,659
621	Office Supplies and Expense	0	0
630	Outside Services	1,193,484	0
634	Contractual Services – Management Fees	0	1,508,778
635	Water Testing	27,685	23,884
636	Contractual Services - Other	0	26,744
641	Rents	3,355	0
642	Rental of Equipment	0	6,039
650	Transportation Expenses	0	0
657	Insurance – General Liability	0	0
659	Insurance - Health and Life	0	0
666	Regulatory Commission Expense – Rate Case	0	0
670	Bad Debt Expense	0	96,887
675	Miscellaneous Expense	47,685	18,899
403	Depreciation Expense	1,189,650	2,380,818
408	Taxes Other Than Income	19,746	0
408.10	Utility Regulatory Assessment	0	11,324
408.11	Property Taxes	106,204	253,979
408.13	Other Taxes & Licenses	0	3,388
409	Income Tax	0	(6,566)
	<b>TOTAL OPERATING EXPENSES</b>	\$ 3,063,431	\$ 4,923,434
	<b>OPERATING INCOME/(LOSS)</b>	\$ 4,838,797	\$ 4,097,033
	<b>OTHER INCOME/(EXPENSE)</b>		
414	Gain/(Loss) from Disposing of Utility Assets	\$ (15,651)	\$ 4,126
419	Interest and Dividend Income	0	238
421	Non-Utility Income	0	
426	Miscellaneous Non-Utility Expenses	0	
427	Interest Expense	(22,364)	(44,096)
	<b>TOTAL OTHER INCOME/(EXPENSE)</b>	\$ (38,015)	\$ (39,732)
	<b>NET INCOME/(LOSS)</b>	\$ 4,800,782	\$ 4,057,301



COMPANY NAME: Global Water - Santa Cruz Water Company

**SUPPLEMENTAL FINANCIAL DATA**  
**Long-Term Debt**

	LOAN #1	LOAN #2	LOAN #3	LOAN #4
Date Issued				
Source of Loan				
ACC Decision No.				
Reason for Loan				
Dollar Amount Issued	\$	\$	\$	\$
Amount Outstanding	\$	\$	\$	\$
Date of Maturity				
Interest Rate	%	%	%	%
Current Year Interest	\$	\$	\$	\$
Current Year Principle	\$	\$	\$	\$

Meter Deposit Balance at Test Year End

\$-0-

Meter Deposits Refunded During the Test Year

\$-0-

**COMPANY NAME: Global Water - Santa Cruz Water Company**

**Name of System**

**ADEQ Public Water System Number 11-131**

**WATER COMPANY PLANT DESCRIPTION**

**WELLS**

ADWR ID Number*	Pump Horsepower	Pump Yield (gpm)	Casing Depth (Feet)	Casing Diameter (Inches)	Meter Size (inches)	Year Drilled
55-612737- Smith	100	1070	1000	20	8	1972
55-617336- Vance	250	1965	800	20	10	1973
55-621407 - Neely West	350	1980	700	12	10	1955
55-621406 - Neely North	400	2000	1000	12	10	1955
55-509941- Rancho Mirage @	400	2800	1100	16	N/A	1985
55-621410-Porter @	100	1000	400	20	10	1955
55-621408- Neely East #	350	2000	1000	12	10	1955
55-801069-Cobblestone@	200	1280	600	12	10	1957
55-624037-Glennwilde@	N/A	1380	1992	18	N/A	1965
55-622132-Maricopa Meadows #	UNK	1400	600	20	4	UNK
55-612741- Maricopa Groves#	N/A	1200	1675	20	N/A	UNK
55-612247- Amarillo Creek East	300	1800	1000	18	10	1973
55-612250- Sunset Canyon **	300	1500	1200	16	10	1978
55-624031-Homestead West**	UNK	860	1430	18		1976
55-624029 Homestead East**	UNK	1200	UNK	20		1960

# Not Operational, \*\* Well undergoing rehabilitation

@ construction/irrigation use only

**OTHER WATER SOURCES**

Name or Description	Capacity (gpm)	Gallons Purchased or Obtained (in thousands)
None		

**BOOSTER PUMPS**

**FIRE HYDRANTS**

Horsepower	Quantity	Quantity Standard	Quantity Other
150 HP	5	1181	0
40 HP	4		
75 HP	5		
50 HP	5		
200HP	1		

**STORAGE TANKS**

**PRESSURE TANKS**

Capacity	Quantity	Capacity	Quantity
500,000	2	5,000	4
1,500,000	2	10,000	1
2,500,000	1		

*Note: If you are filing for more than one system, please provide separate sheets for each system.*

**COMPANY NAME : Global Water - Santa Cruz Water Company**

**Name of System:** **ADEQ Public Water System Number: 11-131**

**WATER COMPANY PLANT DESCRIPTION (CONTINUED)**

**MAINS**

Size (in inches)	Material	Length (in feet)
2	PVC	11,340
3	PVC	220
6	PVC	26,896
8	PVC	426,449
10	PVC	13,231
12	PVC	84,709
16	PVC	71,463
20	PVC	10,200
6	DIP	177
8	DIP	38,883
12	DIP	13,290
16	DIP	74,787
24	DIP	15,724

**CUSTOMER METERS**

Size (in inches)	Quantity
5/8 X 3/4	1819
3/4	13592
1	157
1 1/2	53
2	115
3	4
Turbo 3	0
4	4
Turbo 4	0
Comp. 6	0
Turbo 6	0
Hydrant	59

**For the following three items, list the utility owned assets in each category for each system.**

**TREATMENT EQUIPMENT:**

Chlorine Injection Systems at Main Water Distribution Center and at Groves WDC and Meadows WDC.

**STRUCTURES:**

Mobile Mini Trailer

Masonry Brick Walls (Vance Well, WTP, WDC's)

Office Trailer at Maricopa Meadows

Office/Customer Service Center 25,000 sf

**OTHER:**

SCADA Communications System & Video Monitoring System

ITRON 2.0 Radio AMR System (endpoints, MVRs mobile read system, handhelds)

ITRON Fixed Network 2.5 AMR System (CCUs, endpoints)

Trailer Mounted Emergency Generator

Switchgear for Distribution Systems & Well Sites

1 x 600 kW Emergency D/G

2 x Chevrolet Trailblazer

13 x Silverado Utility Vehicles

3 x Colorado Utility Vehicles

3 x Service Body Vehicles

1 x Econoline Van

2 x Toyota Utility Vehicles

***Note: If you are filing for more than one system, please provide separate sheets for each system.***

COMPANY NAME: Global Water - Santa Cruz Water Company	
Name of System	ADEQ Public Water System Number (if applicable)

## WATER USE DATA SHEET BY MONTH FOR CALENDAR YEAR 2007

MONTH/YEAR	NUMBER OF CUSTOMERS	GALLONS SOLD (Thousands)	GALLONS PUMPED (Thousands)	GALLONS PURCHASED (Thousands)
JANUARY	12,836	91,412	103,693	
FEBRUARY	12,952	103,603	98,594	
MARCH	13,244	90,404	135,595	
APRIL	13,636	142,049	154,639	
MAY	13,828	150,617	199,346	
JUNE	14,223	195,476	301,736	
JULY	14,478	287,301	246,722	
AUGUST	14,689	235,574	227,531	
SEPTEMBER	14,914	218,131	217,732	
OCTOBER	15,247	174,087	197,179	
NOVEMBER	15,478	184,692	166,410	
DECEMBER	15,717	92,450	134,309	
TOTALS →		1,965,796	2,183,486	0

*+Note there are no customers, and no water sold or pumped in the Southwest Service Area as of Dec 31, 2007; note that maintenance flushing in March, June and Dec used estimated 4.9 MG , 5.4 MG, and 12.6 MG*

What is the level of arsenic for each well on your system? \_\_\_\_\_ mg/l  
(If more than one well, please list each separately.)

Vance: 0.0077 mg/l  
Neely West: 0.0059 mg/l  
Rancho Mirage: <0.010 mg/l

Neely North: 0.0074 mg/l  
Smith: 0.0099 mg/l

If system has fire hydrants, what is the fire flow requirement? 1000 GPM for 2 hrs

If system has chlorination treatment, does this treatment system chlorinate continuously?  
( X ) Yes ( ) No

Is the Water Utility located in an ADWR Active Management Area (AMA)?  
( X ) Yes ( ) No

Does the Company have an ADWR Gallons Per Capita Per Day (GPCPD) requirement?  
( X ) Yes ( ) No

If yes, provide the GPCPD amount: 125

*Note: If you are filing for more than one system, please provide separate data sheets for each system.*

COMPANY NAME: GLOBAL WATER - SANTA CRUZ WATER COMPANY YEAR ENDING  
12/31/2007

**PROPERTY TAXES**

Amount of actual property taxes paid during Calendar Year 2007 was: **\$181,925.88**

Attach to this annual report proof (e.g. property tax bills stamped "paid in full" or copies of cancelled checks for property tax payments) of any and all property taxes paid during the calendar year.

If no property taxes paid, explain why. \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

**VERIFICATION  
AND  
SWORN STATEMENT  
Taxes**

**RECEIVED**

APR 18 2008

**VERIFICATION**

STATE OF ARIZONA  
I, THE UNDERSIGNED  
OF THE

<small>COUNTY OF (COUNTY NAME)</small> <b>Maricopa</b>	<b>AZ CORP COMM</b> <b>Director Utilities</b>
<small>NAME (OWNER OR OFFICIAL) TITLE</small> <b>Cindy Liles - CEO/SVP- Growth Management</b>	
<small>COMPANY NAME</small> <b>Global Water - Santa Cruz Water Company</b>	

**DO SAY THAT THIS ANNUAL UTILITY PROPERTY TAX AND SALES TAX REPORT TO THE ARIZONA CORPORATION COMMISSION**

**FOR THE YEAR ENDING**

<small>MONTH</small> <b>12</b>	<small>DAY</small> <b>31</b>	<small>YEAR</small> <b>2007</b>
-----------------------------------	---------------------------------	------------------------------------

**HAS BEEN PREPARED UNDER MY DIRECTION, FROM THE ORIGINAL BOOKS, PAPERS AND RECORDS OF SAID UTILITY; THAT I HAVE CAREFULLY EXAMINED THE SAME, AND DECLARE THE SAME TO BE A COMPLETE AND CORRECT STATEMENT OF BUSINESS AND AFFAIRS OF SAID UTILITY FOR THE PERIOD COVERED BY THIS REPORT IN RESPECT TO EACH AND EVERY MATTER AND THING SET FORTH, TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF.**

**SWORN STATEMENT**

**I HEREBY ATTEST THAT ALL PROPERTY TAXES FOR SAID COMPANY ARE CURRENT AND PAID IN FULL.**

**I HEREBY ATTEST THAT ALL SALES TAXES FOR SAID COMPANY ARE CURRENT AND PAID IN FULL.**

*Cindy M Liles*

SIGNATURE OF OWNER OR OFFICIAL

623 580 9100

TELEPHONE NUMBER

**SUBSCRIBED AND SWORN TO BEFORE ME**

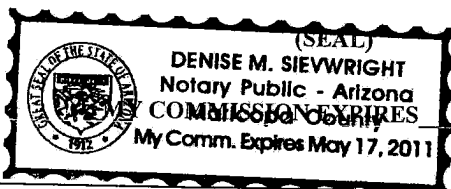
**A NOTARY PUBLIC IN AND FOR THE COUNTY OF**

**THIS** 15<sup>TH</sup> **DAY OF**

<small>COUNTY NAME</small> <b>Maricopa</b>	
<small>MONTH</small> <b>April</b>	<small>YEAR</small> <b>2008</b>

*Denise M Sievwright*

SIGNATURE OF NOTARY PUBLIC



*May 17, 2011*

COMPANY NAME: GLOBAL WATER - SANTA CRUZ WATER COMPANY YEAR ENDING  
12/31/2007

INCOME TAXES

For this reporting period, provide the following:

Federal Taxable Income Reported	<u>\$4,456,918</u>
Estimated or Actual Federal Tax Liability	<u>\$1,412,843</u>

State Taxable Income Reported	<u>\$4,456,918</u>
Estimated or Actual State Tax Liability	<u>\$307,527</u>

Amount of Grossed-Up Contributions/Advances:

Amount of Contributions/Advances	-0-
Amount of Gross-Up Tax Collected	-0-
Total Grossed-Up Contributions/Advances	-0-

Decision No. 55774 states, in part, that the utility will refund any excess gross-up funds collected at the close of the tax year when tax returns are completed. Pursuant to this Decision, if gross-up tax refunds are due to any Payer or if any gross-up tax refunds have already been made, attach the following information by Payer: name and amount of contribution/advance, the amount of gross-up tax collected, the amount of refund due to each Payer, and the date the Utility expects to make or has made the refund to the Payer.

**CERTIFICATION**

The undersigned hereby certifies that the Utility has refunded to Payers all gross-up tax refunds reported in the prior year's annual report. This certification is to be signed by the President or Chief Executive Officer, if a corporation; the managing general partner, if a partnership; the managing member, if a limited liability company or the sole proprietor, if a sole proprietorship.

Cindy M Liler

SIGNATURE

4-15-08

DATE

Cindy M Liler

PRINTED NAME

Svp - CFO

TITLE

RECEIVED

APR 18 2008

VERIFICATION  
AND  
SWORN STATEMENT  
Intrastate Revenues Only

AZ CORP COMM  
Director Utilities

VERIFICATION  
STATE OF ARIZONA  
I, THE UNDERSIGNED  
OF THE

COUNTY OF (COUNTY NAME) <b>Maricopa</b>
NAME (OWNER OR OFFICIAL) TITLE <b>Cindy Liles- CFO/SVP Growth Management</b>
COMPANY NAME <b>Global Water - Santa Cruz Water Company</b>

DO SAY THAT THIS ANNUAL UTILITY REPORT TO THE ARIZONA CORPORATION COMMISSION

FOR THE YEAR ENDING

MONTH 12	DAY 31	YEAR 2007
-------------	-----------	--------------

HAS BEEN PREPARED UNDER MY DIRECTION, FROM THE ORIGINAL BOOKS, PAPERS AND RECORDS OF SAID UTILITY; THAT I HAVE CAREFULLY EXAMINED THE SAME, AND DECLARE THE SAME TO BE A COMPLETE AND CORRECT STATEMENT OF BUSINESS AND AFFAIRS OF SAID UTILITY FOR THE PERIOD COVERED BY THIS REPORT IN RESPECT TO EACH AND EVERY MATTER AND THING SET FORTH, TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF.

SWORN STATEMENT

IN ACCORDANCE WITH THE REQUIREMENT OF TITLE 40, ARTICLE 8, SECTION 40-401, ARIZONA REVISED STATUTES, IT IS HEREIN REPORTED THAT THE GROSS OPERATING REVENUE OF SAID UTILITY DERIVED FROM ARIZONA INTRASTATE UTILITY OPERATIONS DURING CALENDAR YEAR 2007 WAS:

Arizona Intrastate Gross Operating Revenues Only (\$)

\$9,745,298.98

(THE AMOUNT IN BOX ABOVE  
INCLUDES \$ 744,831.08  
IN SALES TAXES BILLED, OR COLLECTED)

\*\*REVENUE REPORTED ON THIS PAGE MUST INCLUDE SALES TAXES BILLED OR COLLECTED. IF FOR ANY OTHER REASON, THE REVENUE REPORTED ABOVE DOES NOT AGREE WITH TOTAL OPERATING REVENUES ELSEWHERE REPORTED, ATTACH THOSE STATEMENTS THAT RECONCILE THE DIFFERENCE. (EXPLAIN IN DETAIL)

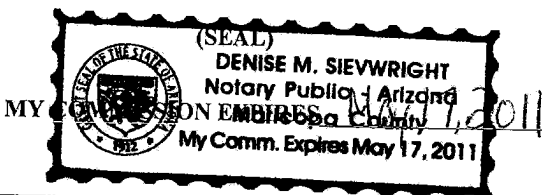
Cindy M Liles  
SIGNATURE OF OWNER OR OFFICIAL  
623 580 9600  
TELEPHONE NUMBER

SUBSCRIBED AND SWORN TO BEFORE ME

A NOTARY PUBLIC IN AND FOR THE COUNTY OF

THIS 15<sup>TH</sup> DAY OF

COUNTY NAME <b>Maricopa</b>
MONTH <b>APRIL</b> . <b>2008</b>



Denise M Sievwright  
SIGNATURE OF NOTARY PUBLIC



**VERIFICATION  
AND  
SWORN STATEMENT  
RESIDENTIAL REVENUE  
Intrastate Revenues Only**

**RECEIVED**

APR 18 2008

VERIFICATION

STATE OF ARIZONA

I, THE UNDERSIGNED

OF THE

DO SAY THAT THIS ANNUAL UTILITY REPORT TO THE ARIZONA CORPORATION COMMISSION  
FOR THE YEAR ENDING

COUNTY OF (COUNTY NAME) <b>Maricopa</b>		<b>AZ CORP COMM Director Utilities</b>
NAME (OWNER OR OFFICIAL) <b>Cindy Liles</b>	TITLE <b>CFO/SVP Growth Management</b>	
COMPANY NAME <b>Global Water - Santa Cruz Water Company</b>		

MONTH	DAY	YEAR
12	31	2007

HAS BEEN PREPARED UNDER MY DIRECTION, FROM THE ORIGINAL BOOKS, PAPERS AND RECORDS OF SAID UTILITY; THAT I HAVE CAREFULLY EXAMINED THE SAME, AND DECLARE THE SAME TO BE A COMPLETE AND CORRECT STATEMENT OF BUSINESS AND AFFAIRS OF SAID UTILITY FOR THE PERIOD COVERED BY THIS REPORT IN RESPECT TO EACH AND EVERY MATTER AND THING SET FORTH, TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF.

**SWORN STATEMENT**

IN ACCORDANCE WITH THE REQUIREMENTS OF TITLE 40, ARTICLE 8, SECTION 40-401.01, ARIZONA REVISED STATUTES, IT IS HEREIN REPORTED THAT THE GROSS OPERATING REVENUE OF SAID UTILITY DERIVED FROM ARIZONA INTRASTATE UTILITY OPERATIONS RECEIVED FROM RESIDENTIAL CUSTOMERS DURING CALENDAR YEAR 2007 WAS:

ARIZONA INTRASTATE GROSS OPERATING REVENUES

**\$ 7,085,396.<sup>14</sup>**

THE AMOUNT IN BOX AT LEFT  
INCLUDES \$ **744,831.08**  
IN SALES TAXES BILLED, OR COLLECTED)

\*RESIDENTIAL REVENUE REPORTED ON THIS PAGE  
MUST INCLUDE SALES TAXES BILLED.

**Cindy Liles**  
SIGNATURE OF OWNER OR OFFICIAL

**623-580-9600**  
TELEPHONE NUMBER

SUBSCRIBED AND SWORN TO BEFORE ME

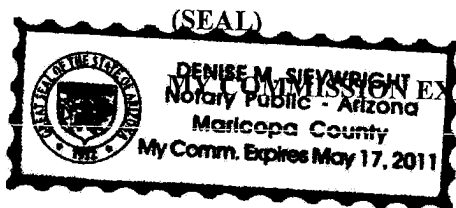
A NOTARY PUBLIC IN AND FOR THE COUNTY OF

THIS

**15<sup>TH</sup>**

DAY OF

NOTARY PUBLIC NAME <b>Denise M. Sievwright</b>	
COUNTY NAME <b>Maricopa</b>	
MONTH <b>APRIL</b>	<b>2008</b>



EXPIRES **May 17, 2011**

X **Denise M. Sievwright**  
SIGNATURE OF NOTARY PUBLIC